



MANAGEMENT LIABILITY POLICY

POLICY DOCUMENT

Important Information

Welcome and thank you for choosing the **Allianz Management Liability Policy**.

About Allianz

The insurer of this product is Allianz Australia Insurance Limited ABN 15 000 122 850 (Allianz) AFS Licence No. 234708.

Allianz is one of Australia's largest general insurers. **We** utilise years of local expertise, combined with global experience to offer a wide range of products and services to **Our** customers. As a member of the worldwide Allianz Group, **We** are committed to continuous improvement of **Our** products and services and strive to achieve this through knowledge transfer within the Group, dedicated technical research units, sharing globally new product developments and a wide range of risk management services.

About this insurance

This is an important document. **You** should read it carefully before making a decision to purchase this insurance.

It will help **You** to:

- decide whether this insurance will meet **Your** needs; and
- compare it with other products **You** may be considering.

Please note that any recommendation or opinion in this document is of a general nature only and does not take into account **Your** objectives, financial situation or needs.

You need to decide if this insurance is right for **You** and **You** should read all of the documents that make up the **Policy** to ensure **You** have the cover **You** need.

Understanding Your Policy and its important terms and conditions

To properly understand the significant features, benefits and risks of this insurance **You** need to carefully read:

- about each of the available types of cover and benefits in the relevant covers. (the standard cover provided under each section can be affected by the following);
- the rest of this "Introduction" section – this sets out how **You** apply for cover, the basis on which **We** insure **You**, the duty of disclosure **You** need to meet before **We** insure **You**, **Our** privacy information, **Our** dispute resolution procedures and other important information;

- the "Words with special meaning". This sets out what **We** mean by certain words used in the **Policy**. These words begin with a capital letter throughout this document and are bolded. Each coverage section may also contain definitions relevant to that section;
- the "Exclusions" section – this sets out the general Exclusions and limits that apply to all covers and benefits;
- the "Exclusions" and "Conditions" sections – these set out certain general rights and obligations that **You** and **We** have;
- all of the documents that make up the **Policy**, including the **Policy Schedule** and any endorsements or other written changes to the cover **We** issue **You** with before entry into the contract or where required or permitted by law – these contain specific details relevant to **You** and can affect the cover.

Headings are provided for reference only and do not form part of **Your Policy** for interpretation purposes.

Applying for cover

When **You** apply by completing **Our** application process **You** need to provide the information **We** require to determine whether to issue a **Policy** and if so, on what terms, including (to the extent they are optional):

- the covers and benefits **You** want
- the limits **You** want;
- the **Period of Cover** **You** want;
- the **Excesses** that **You** want to contribute for certain **Claims**; and
- whether any standard terms need to be varied (this may be by way of an endorsement).

Where **We** agree to issue a **Policy**, cover is provided on the basis:

- that **You** have paid or agreed to pay **Us** the premium for the cover provided;
- of the verbal and/or written information provided by **You** which must have given in accordance with **Your** Duty of Disclosure either verbally or in writing.

If **You** fail to comply with **Your** Duty of Disclosure, **We** may be entitled to refuse or reduce **Our** liability under the **Policy** in respect of a **Claim** to the extent **Our** interests are prejudiced by **Your** failure to comply with the Duty of Disclosure and/or **We** may cancel the **Policy**. If **You** have told **Us** something which is fraudulent, **We** also have the option of avoiding the **Policy** (ie treating it as if it never existed).

Your Duty of Disclosure and the consequences of nondisclosure, are provided under the heading "**Your** Duty of Disclosure".

Our contract with You

Where **We** agree to enter into a **Policy** with **You** it is a contract of insurance between **Us** and **You** (see the definition of “**You**” for details of who is covered by this term).

The **Policy** consists of:

- this document which sets out the standard terms of **Your** cover and its limitations;
- **Your** current **Schedule** issued by **Us**. The **Schedule** is a document which shows the insurance details relevant to **You**. It may include additional terms, conditions and Exclusions relevant to **You** that amend the standard terms of this document. Only those sections shown as covered in **Your Schedule** are insured; and
- any other change to the terms of the **Policy** otherwise advised by **Us** in writing before entry into the contract or where required or permitted by law (such as an endorsement). These written changes may vary or modify the above documents.

These are all important documents and should be carefully read together and kept in a safe place for future reference.

We reserve the right to change the terms of this insurance where permitted to do so by law.

Any new or replacement schedule **We** may send **You**, detailing changes to **Your** insurance or the period of insurance, will become the current **Schedule**, which **You** should carefully read and retain.

Premium

Your premium – the base premium **We** charge is calculated based on a number of factors such as **Our** obligation to pay relevant government taxes and charges. For example, **We** include an amount that covers stamp duty and GST payable in relation to the **Policy**.

Goods and Services Tax

The sum insured that **You** choose should exclude Goods and Services Tax (GST). In the event of a **Claim**, if **You** are not registered for GST, **We** will reimburse **You** the GST component in addition to the amount **We** pay **You**. If **You** are registered for GST, **You** will need to **Claim** the GST component from the Australian Taxation Office.

You must advise **Us** of **Your** correct input tax credit percentage where **You** are registered as a business and have an Australian Business Number. **You** are liable to **Us** for any GST liability **We** incur arising from **Your** incorrect advice.

Your obligation to comply with the Policy terms and conditions

You are required to comply with the terms and conditions of the **Policy**. Please remember that if **You** do not comply with any term or condition, **We** may (to the extent permitted by law) decline or reduce any **Claim** payment to the extent **We** are prejudiced by **Your** noncompliance and/or cancel **Your Policy**.

If more than one person is insured under the **Policy**, a failure or wrongful action by one of those persons may adversely affect the rights of any other person insured under the **Policy**.

Cancellation rights under the Policy

How You may cancel this Policy

You may cancel this **Policy** at any time by telling **Us** in writing that **You** want to cancel it. **You** can do this by giving the notice to **Your** Insurance broker, subject to the **Policy** wording terms and conditions.

Where there is more than one contracting **Insured**, **We** will only cancel the **Policy** when a written agreement to cancel the **Policy** is received from all contracting **Insureds** named as the **Insured** or from a person authorised to act as agent of all such persons.

How We may cancel this Policy

We may cancel this **Policy** in any of the circumstances permitted by law by informing **You** in writing.

We will give **You** this notice via **Your** insurance broker.

Claims made

This **Policy** operates on a “**Claims** made and notified” basis. This means that the **Policy** covers **You** for **Claims** made against **You** and notified to **Us** during the **period of cover**.

The **Policy** does not provide cover in relation to:

- any pending or prior civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication commenced prior to the **Continuity Date** of the **Policy** (if such a date is specified);
- **Claims** made after the expiry of the period of insurance even though the event giving rise to the **Claim** may have occurred during the **period of cover**;
- **Claims** notified or arising out of facts or circumstances notified (or which ought reasonably to have been notified) under any previous policy;
- **Claims** made, threatened or intimated against **You** prior to the commencement of the **period of cover**;
- facts or circumstances of which **You** first became aware prior to the **Period of Cover**, and which **You**

knew or ought reasonably to have known had the potential to give rise to a **Claim** under this **Policy**; and

- **Claims** arising out of circumstances noted on the **Proposal** form for the current **Period of Cover** or on any previous form.

Where **You** give notice in writing to **Us** of any facts that might give rise to a **Claim** against **You** as soon as reasonably practicable after **You** become aware of those facts but before the expiry of the **Period of Cover**, **You** may have rights under Section 40(3) of the *Insurance Contracts Act 1984* to be indemnified in respect of any **Claim** subsequently made against **You** arising from those facts notwithstanding that the **Claim** is made after the expiry of the **Period of Cover**. Any such rights arise under the legislation only. The terms of the **Policy** and the effect of the **Policy** is that **You** are not covered for **Claims** made against **You** after the expiry of the **Period of Cover**.

Your Duty of Disclosure

Before **You** enter into a contract of insurance with **Us**, **You** have a duty under the *Insurance Contracts Act 1984* to disclose to **Us** every matter that **You** know, or could reasonably be expected to know, is relevant to **Our** decision whether to accept the risk of the insurance and, if so, on what terms.

You have the same duty to disclose those matters to **Us** before **You** renew, extend, vary or reinstate the contract.

This duty of disclosure applies until the contract is entered into (or renewed, extended, varied or reinstated as applicable). **We** may provide further information on **Your** duty prior to any renewal, extension, variation or reinstatement.

Your duty however does not require disclosure of any matter:

- that diminishes the risk to be undertaken by **Us**; or
- that is of common knowledge; or
- that **We** know or, in the ordinary course of **Our** business as an insurer, ought to know; or
- as to which compliance with **Your** duty is waived by **Us**.

Non-disclosure

If **You** fail to comply with **Your** duty of disclosure, **We** may be entitled to reduce **Our** liability under the contract in respect of a **Claim** to the extent **Our** interests are prejudiced by **Your** failure to comply with the duty of disclosure, cancel the contract or both.

If **Your** non-disclosure is fraudulent, **We** may also have the option of avoiding the contract from its beginning.

Privacy Notice

At Allianz, **We** give priority to protecting the privacy of **Your** personal information. **We** do this by handling personal information in a responsible manner and in accordance with the *Privacy Act 1988 (Cth)*.

How We Collect Your Personal Information

We usually collect **Your** personal information from **You** or **Your** agents. **We** may also collect it from our agents and service providers; other insurers and insurance reference bureaus; people who are involved in a **Claim** or assist **Us** in investigating or processing **Claims**, including third parties claiming under **Your** policy, witnesses and medical practitioners; third parties who may be arranging insurance cover for a group that **You** are a part of; law enforcement, dispute resolution, statutory and regulatory bodies; marketing lists and industry databases; and publicly available sources.

Why We Collect Your Personal Information

We collect **Your** personal information to enable **Us** to provide **Our** products and services, including to process and settle **Claims**; make offers of products and services provided by **Us**, **Our** related companies, brokers, intermediaries, business partners and others that **We** have an association with that may interest **You**; and conduct market or customer research to determine those products or services that may suit **You**. **You** can choose not to receive product or service offerings from **Us** (including product or service offerings from **Us** on behalf of **Our** brokers, intermediaries and/or **Our** business partners) or **Our** related companies by calling the Allianz Direct Marketing Privacy Service Line on 1300 360 529, EST 8am to 6pm Monday to Friday, or going to **Our** website's Privacy section at www.allianz.com.au.

If **You** do not provide **Your** personal information **We** require, **We** may not be able to provide **You** with **Our** services, including settlement of **Claims**.

Who We Disclose Your Personal Information To

We may disclose **Your** personal information to others with whom **We** have business arrangements for the purposes listed in the paragraph above or to enable them to offer their products and services to **You**. These parties may include insurers, intermediaries, reinsurers, insurance reference bureaus, related companies, **Our** advisers, persons involved in **Claims**, external **Claims** data collectors and verifiers, parties that **We** have an insurance scheme in place with under which **You** purchased **Your** policy (such as a financier or motor vehicle manufacturer and/or dealer). Disclosure may also be made to government, law enforcement, dispute resolution, statutory or regulatory bodies, or as required by law.

Disclosure Overseas

Your personal information may be disclosed to other companies in the Allianz Group, business partners, reinsurers and service providers that may be located in Australia or overseas. The countries this information may be disclosed to will vary from time to time, but may include Canada, Germany, New Zealand, United Kingdom, United States of America and other countries where the Allianz Group has a presence or engages subcontractors. We regularly review the security of Our systems used for sending personal information overseas. Any information disclosed may only be used for the purposes of collection detailed above and system administration.

Access to Your Personal Information and Complaints

You may ask for access to the personal information We hold about You and seek correction by calling 1300 360 529 EST 8am-6pm, Monday to Friday. Our Privacy Policy contains details about how you may make a complaint about a breach of the privacy principles contained in the *Privacy Act 1988 (Cth)* and how We deal with complaints. Our Privacy Policy is available at www.allianz.com.au.

Telephone Call Recording

We may record incoming and/or outgoing telephone calls for training or verification purposes. Where We have recorded a telephone call, We can provide You with a copy at Your request, where it is reasonable to do so.

Your consent

By providing Us with personal information You and any other person You provide personal information for, consent to these uses and disclosures until You tell Us otherwise. If You wish to withdraw Your consent, including for things such as receiving information on products and offers by Us or persons We have an association with, please contact Us.

General Insurance Code of Practice

The General Insurance Code of Practice was developed by the Insurance Council of Australia to further raise standards of practice and service across the insurance industry.

The Code Governance Committee (CGC) is an independent body that monitors and enforces insurers' compliance with the Code.

You can obtain more information on the Code of Practice and how it assists You by contacting Us.

Contact details are provided on the back cover of this PDS.

For more information on the Code Governance Committee (CGC) go to <https://insurancecode.org.au/>

(a) Dispute resolution process

We will do everything possible to provide a quality service to you. However, we recognise that occasionally there may be some aspect of our service or a decision we have made that you wish to query or draw to our attention.

We have a Complaints and Dispute Resolution Procedure which undertakes to provide an answer to your complaint within fifteen (15) working days.

If you would like to make a complaint or access our internal dispute resolution service please contact our nearest office and ask to speak to a dispute resolution specialist.

(b) Contact for assistance or confirmation of cover

If you need to confirm any policy transaction or clarify any of the information contained in this policy document or if you have any other queries, please contact any of our offices or refer to our website at www.allianz.com.au.

(c) If this insurance has been issued through an insurance intermediary

If your policy has been arranged through our agent, or a broker who is acting under an agency arrangement such as a binder with us, then they are acting as our agent and not as your agent. They will tell you when this is the case.

If your policy has been arranged by a broker, other than a broker acting under such an agency arrangement with us, then the broker is acting as your agent.

Where this policy has been arranged through an intermediary a commission may be payable by us to them for arranging the insurance.

Cover

This Policy sets out the conditions on which We, Allianz Australia Insurance Limited (ACN 000 122 850), agree to insure You in consideration for Your payment of the premium.

When reading this Policy, please note that some words are specially defined. There is a list of these defined words at the end of the Policy. To assist You, We have indicated these specially defined words in bold print.

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1 What We insure You for

We, Allianz Australia Insurance Limited, ABN 15 000 122 850, AFS Licence No. 234708 will provide insurance in accordance with the terms of the Policy, subject to payment of the premium set out in the Schedule or as otherwise agreed.

In order to be sure that You are covered under this Policy, You should always contact Us for approval before incurring expenses You wish to Claim. If You do not, We will pay for expenses incurred up to the amount We would have authorised had You asked first.

Insuring Clauses

1.1 Directors and Officers

We will pay to or on behalf of the Insured Person all Loss resulting from a Claim against the Insured Person for any Wrongful Act, except to the extent that the Entity is not legally permitted and has not agreed to indemnify the Insured Person. This cover only applies where the Claim is first made and reported to Us in the Period of Cover, or Discovery Period if applicable.

1.2 Entity Reimbursement

We will pay to or on behalf of the Entity all Loss resulting from a Claim against the Insured Person for any Wrongful Act to the extent that the Entity is legally permitted and has agreed to indemnify the Insured Person. This cover only applies where the Claim is first made and reported to Us in the Period of Cover, or Discovery Period if applicable.

1.3 Entity Liability Cover

We will pay to or on behalf of the Entity all Loss resulting from a Claim against the Entity for any Wrongful Act. This cover only applies where the Claim is first made and reported to Us in the Period of Cover, or Discovery Period if applicable.

1.4 Legal Representation Costs

In respect of any Official Inquiry, We will pay Legal Representation Costs of the Insured Person to or on behalf of:

- (a) The Insured Person, where the Entity is not legally permitted and has not agreed to indemnify the Insured Person for such Legal Representation Costs; or
- (b) The Entity, where the Entity is legally permitted and has agreed to indemnify the Insured Person for such Legal Representation Costs.

This cover only applies where the notice compelling the Insured Person's attendance at the Official Inquiry is first served on the Insured Person in the Period of Cover, or Discovery Period if applicable.

1.5 Excess of Limit for Insured Person

In the event that the Limit of Indemnity and all other indemnification available to an Insured

Person is exhausted, We will automatically reinstate the Limit of Indemnity for new Claims under Insuring Clauses 1.1 and/or 1.4, subject to the following limitations:

- (a) Our maximum liability under this clause is no greater than the Limit of Indemnity under Insuring Clause 1.1, which applies in the aggregate for all Claims during the Period of Cover and for all Insured Persons.
- (b) there is no other source(s) of indemnification available to the Insured Person; and
- (c) the additional Limit of Indemnity will only apply to subsequent Claims made during the Period of Cover that are unrelated to previous Claims under the Policy.

1.6 Employment Practices Cover

We will pay to or on behalf of the Insured all Loss resulting from a Claim against the Insured for any Employment Practices Breach. This cover only applies where the Claim is first made and reported to Us in the Period of Cover, or Discovery Period if applicable.

1.7 Third Party Discrimination and Sexual Harassment Cover

We will pay to or on behalf of the Insured all Loss, up to the sub limit of \$500,000 in the aggregate, resulting from a Claim against the Insured for Discrimination or Sexual Harassment. This cover only applies where the Claim is first made and reported to Us in the Period of Cover, or Discovery Period if applicable.

1.8 Crime Cover

We will pay to or on behalf of the Entity any Direct Financial Loss resulting from Dishonest Acts by an Employee against the Entity or Third Party, first Discovered during the Period of Cover, up to \$500,000 in the aggregate.

1.9 Third Party Crime Cover

We will pay to or on behalf of the Entity any Direct Financial Loss resulting from Third Party Dishonest Acts against the Entity, first Discovered during the Period of Cover, up to the sub limit of \$250,000 in the aggregate.

1.10 Crime Investigation Expenses

We will pay to or on behalf of the Entity any reasonable expenses incurred and paid by the Entity, with Our prior written consent, for the purpose of establishing the existence and amount of the Direct Financial Loss covered under Insuring Clause 1.8 and 1.9.

The sub-limit of indemnity for all payments under this Insuring Clause is \$50,000 in the aggregate. No Deductible shall apply to this Extension.

1.11 Superannuation Trustees Liability

We will pay to or on behalf of the Trustee, Loss resulting from Claims first made against the Trustee and notified to Us during the Period of Cover, based on Wrongful Acts in connection with the Superannuation Fund.

2 Automatic Extensions

In order to be sure that **You** are covered under this Policy, **You** should always contact **Us** for approval before incurring expenses **You** wish to claim. If **You** do not, **We** will pay for expenses incurred up to the amount **We** would have authorised had **You** asked first.

2.1 Advancement of Defence Costs

We shall advance **Defence Costs** for a **Claim** or **Legal Representation Costs** for an **Official Inquiry**, as incurred with **Our** prior written consent, within a reasonable time of receipt by **Us** of an invoice from defence counsel and prior to final disposition or adjudication.

Please contact **Us** to confirm approval for these costs.

If at any time a **Claim** or **Official Inquiry**, or part thereof, is determined by **Us** to be outside the scope of indemnity provided by this **Policy**, including as determined pursuant to clause 4.1 (Allocation of Loss), **We** reserve the right to recover any **Defence Costs** or **Legal Representation Costs** paid under this Extension from the **Insured** to the extent that is established by final adjudication, that the **Insured** was not entitled to indemnity under this **Policy**.

However, if and to the extent that any **Insured** is not entitled to cover for **Loss** under the terms of this **Policy**, then **We** will cease to make any such advances and any amounts previously advanced shall be repaid to **Us** by the applicable **Insured**, according to their respective rights and interests.

If a **Claim** alleges a **Wrongful Act**, or illegal or improper conduct, as described in the Exclusion 3.5 (Dishonesty, Fraud & Improper Use), then **We** will advance **Defence Costs** in respect of such **Claim** until an admission by the **Insured**, a final judgment or other final adjudication that such **Insured** did in fact commit such **Wrongful Act** or engage in such conduct.

2.2 Automatic New Subsidiary Cover

If, during the **Period of Cover**, the **Entity** acquires or creates a new **Subsidiary**, **We** will automatically extend cover under this **Policy** to that new **Subsidiary** in respect of:

- (a) **Claims** for a **Wrongful Act**, **Employment Practices Breach**, **Discrimination** or **Sexual Harassment** occurring after the effective date of the acquisition or creation of that **Subsidiary**; or
- (b) **Direct Financial Loss** sustained after the effective date of the acquisition or creation date of that **Subsidiary**.

However, if the new **Subsidiary**:

- (i) is domiciled or incorporated in the United States of America or Canada or their respective territories, this Extension shall not extend cover to that **Subsidiary**; or
- (ii) has total assets greater than the 25% of the total assets of the **Entity** as per the most recent financial statement of the new **Subsidiary** and **Entity** respectively;

then cover for the new **Subsidiary** under this Extension will cease at 4.00 p.m. 60 days from the date of acquisition or creation or on the expiration of the **Period of Cover** (whichever is earlier) unless the **Entity** notifies **Us** of the acquisition or creation of the new **Subsidiary** within 60 days of such event and pays any additional premium that may be required by **Us**.

2.3 Bail Bond and Civil Bond

We agree to pay to or on behalf of the **Insured** the cost for a financial instrument (Including a bond), but not collateral for the instrument, that guarantees for a period not exceeding 12 months an **Insured Person's** contingent obligation for a specified amount required by a Court hearing a **Claim**. The **Insured** must obtain **Our** prior written consent, which shall not be unreasonably withheld. **Our** maximum liability, for all such **Loss** for all **Insured Persons**, is sub-limited to \$200,000 in the aggregate.

No **Deductible** applies to this Extension.

2.4 Continuous Cover

Notwithstanding Exclusion 3.6 (Known, Prior or Pending **Claims**), **We** will provide cover under this **Policy** for **Loss** from **Claims** arising from facts known to the **Insured** prior to the **Period of Cover**, provided that:

- (a) the **Insured** first became aware of the facts that gave rise to the **Claim** on or after the **Continuity Date**; and
- (b) the **Insured** has maintained uninterrupted coverage of the same type insured by this **Policy**, since the **Continuity Date**; and
- (c) this **Policy** is a replacement or renewal of the policy the **Insured** held with **Us** when the **Insured** first had the awareness referred to above (referred to below as the "prior policy"); and
- (d) there has been no fraudulent non-disclosure or fraudulent misrepresentation by the **Insured**; and
- (e) the cover provided under this Extension will be in accordance with the terms of this **Policy**.

2.5 Court Attendance Reimbursement

Where an **Insured Person** is legally compelled to attend Court to give evidence in connection with a **Claim** covered by this **Policy**, **We** agree to pay a daily amount of \$500 in respect of that **Insured Person's** attendance. The sub-limit of indemnity for all payments in the aggregate under this Extension is \$100,000 for all attendances.

No **Deductible** applies to this Extension.

2.6 Crisis Management Costs

We agree to pay to or on behalf of the **Entity** the reasonable costs and expenses paid by the **Entity** for external **Crisis** management services provided in response to a **Crisis** within the first 30 days after the **Crisis**. The entity or person providing the services, and their fees and expenses, must first be approved by **Us**. **We** are not liable for any fees and expenses incurred by the **Entity** without **Our** prior approval, not to be unreasonably withheld.

The sub-limit of indemnity for this Extension for all such costs and expenses in respect of all **Crises**, is \$100,000.

No **Deductible** applies to this Extension.

2.7 Discovery Period

If **We** refuse to offer any renewal terms for this **Policy** at the end of the **Period of Cover** for any reason other than non-payment of premium or fraudulent non-disclosure or misrepresentation, then the **Insured** shall be entitled to:

- (a) an automatic **Discovery Period** of 30 days with no additional premium payable; or
- (b) purchase a **Discovery Period** of 12 months, upon the **Insured's** written request to do so within 30 days following the end of the **Period of Cover** at an additional 100% of annual premium.

If a **Transaction** occurs, the **Insured** may purchase a **Discovery Period** of up to 72 months. This is at **Our** discretion, and conditional upon:

- (i) the **Insured's** written request to do so within 30 days following the end of the **Period of Cover** or the effective date of the **Transaction**, whichever is the earlier; and
- (ii) payment of the additional premium determined by **Us** within 30 days of **Our** request for the additional premium; and
- (iii) this **Policy** not being replaced by any other **Policy** or **Policies** affording substantially the same cover as this **Policy**.

If a **Discovery Period** is effected, the **Limit of Indemnity** shall not be increased in any way. A **Discovery Period** may not be cancelled by the **Insured** and the additional premium for a **Discovery Period** is not refundable.

2.8 Estates and Legal Representatives

With respect to Insuring Clauses 1.1, 1.2, 1.5, 1.6, 1.7 and 1.11, **We** agree to extend cover to the estate, heirs, legal representatives or assigns of a deceased, insolvent, bankrupt or mentally incompetent **Insured Person**, to the extent that **We** would otherwise have been liable to indemnify under this **Policy**.

2.9 Fines & Penalties Cover

We extend to cover as **Loss**, to the extent permitted by law, any fines and penalties imposed upon the **Insured Person** and/or **Entity** in the jurisdictions of, and under the laws of, Australia and New Zealand on account of any **Claim**, with the exception of fines and penalties:

- (a) which are uninsurable at law; or
- (b) arising directly or indirectly from a requirement to pay taxes, duties, rates, levies, charges, fees or any other revenue raising measure; or
- (c) imposed where the **Insured** knew, or where a reasonable person ought reasonably to have known, prior to the **Period of Cover** that the **Insured** had committed an offence under law; or
- (d) imposed pursuant to any law regulating air, marine or vehicular traffic; or
- (e) imposed by reason of conduct that is established by final adjudication to have been reckless, grossly negligent or a knowing violation of any law or regulation.

In the event of any conflict between this Extension and the 3.3 Bodily Injury and Property Damage Exclusion, the 2.13 Workplace Health and Safety Law Exclusion or the 3.13 Pollution Exclusion, this Extension shall apply.

The total payable under this coverage section shall not exceed \$250,000 in the aggregate.

2.10 Joint Venture Liability

We agree to extend cover to **Claims** resulting from the **Entity's** participation in any **Joint Venture**, Provided that:

- (a) the cover given will only relate to the **Entity's** proportion of any liability incurred by such **Joint Venture**; and
- (b) the **Entity's** income derived from participation in such **Joint Venture** shall have been included in the calculation of income furnished by the **Entity** for the purposes of calculating the premium for this **Policy**.

2.11 Legal Consultation

The **Insured** is entitled up to sixty minutes legal advice on any matter that may give rise to a **Claim** under this **Policy** at no extra charge concerning the duties and obligations of a **Director** or **Officer** under the relevant laws of the Australian State or Territory in which the **Insured** is located.

Provided that:

- (a) the legal advice is sought during the **Period of Cover**;
- (b) the legal advice must be sought from a legal firm approved by **Us**; and
- (c) the **Insured** provides the legal firm with details of their **Policy** number, **Period of Cover** and the name of the **Entity**.

No **Deductible** applies to this Extension.

2.12 Media Costs

We agree to pay **Media Costs** of any **Insured** against which or whom a **Claim** is made and which is covered by the **Policy**. The sub-limit of indemnity for all payments under this Extension is \$100,000 in the aggregate for all **Claims**.

No **Deductible** applies to this Extension.

2.13 Workplace Health and Safety Laws

Notwithstanding Exclusion 3.3 'Bodily Injury & Property Damage', under Insuring Clauses 1.1 and 1.2, We will pay **Defence Costs** in respect of any **Claim** for a **Wrongful Act**, or **Legal Representation Costs** in respect of an **Official Inquiry**, involving conduct which if established would constitute a breach of workplace health and safety legislation.

For the sake of clarity this Extension does not apply to workers' compensation **Claims**.

2.14 Outside Directorships

Where an **Insured Person** holds an **Outside Directorship**, We will automatically extend cover under insuring clauses 1.1, 1.2, 1.4 and 1.5, for any **Claim** or **Official Inquiry** where such **Insured Person** is not otherwise entitled to an indemnity under any other policy of insurance arranged by the **Outside Entity** either because such a policy was not in force at the relevant time or such a policy fails to respond for any reason whatsoever including the **Outside Entity's** insolvency or exhaustion of the policy limits.

Provided always that:

- (a) such indemnity will not extend to any of the other directors, officers or employees of the **Outside Entity**;
- (b) no indemnity whatsoever is available to the **Outside Entity** under this **Policy**; and

- (c) indemnity under this Extension shall be non-cumulative with any other insurance issued by **Us**.

2.15 Pollution Defence Costs

Notwithstanding Exclusion 3.13 (Pollution), We will pay to or on behalf of any **Insured Person**, **Defence Costs** in respect of any **Claim**, or **Legal Representation Costs** in respect of an **Official Inquiry**.

The sub-limit of indemnity for all payments under this Extension is \$250,000 in the aggregate for all **Claims** and **Official Inquiries**.

No **Deductible** applies to this Extension.

2.16 Retired Directors and Officers

We agree to indemnify any **Retired Directors** or **Officers** for **Claims** made against, or **Official Inquiries** involving, such persons during the 84 months immediately following the expiry of this **Period of Cover**, provided that:

- (a) this **Policy** is not renewed or replaced with any other policy affording **Directors** and **Officers** or management liability cover; and
- (b) a **Discovery Period** (other than the 30 day automatic **Discovery Period**) is not invoked.

2.17 Run-off Cover for Former Subsidiaries

In the event of the sale, dissolution or disposal of a covered **Subsidiary** before or after the commencement of the **Period of Cover** of a **Subsidiary**, We will pay:

- (a) **Loss** resulting from a **Claim** for any **Wrongful Act** of that **Subsidiary** committed while the **Subsidiary** was a **Subsidiary** and prior to its sale, dissolution or disposal;
- (b) **Legal Representation Costs** for any **Official Inquiry** in respect of conduct committed while the **Entity** was a **Subsidiary** and before its sale, dissolution or disposal;
- (c) **Direct Financial Loss** resulting from **Dishonest Acts** committed while the **Entity** was a **Subsidiary** and prior to its sale, dissolution or disposal and which is otherwise covered by this **Policy**.

2.18 Superannuation Schemes

With respect to Insuring Clauses 1.1 and 1.2 only the definition of **Officer** is extended to include any fiduciary capacity held by an **Officer** acting for or on behalf of the **Entity** in the operation, administration or sponsorship of any superannuation, profit sharing or employee benefits program whose activities are not controlled by the **Trustee**. For clarification, the term **Officer** does not include a **Trustee**.

2.19 Tax Audit Fees

We will pay to or on behalf of the **Entity** the reasonable fees and expenses of any tax expert or other professional adviser appointed by the **Entity**, and approved by **Us** in advance of their appointment, to respond to a **Tax Audit** of the **Entity**. Provided that:

- (a) the notice in respect of the **Tax Audit** is first received by the **Entity**, and reported to **Us**, during the **Period of Cover**;
- (b) there is no cover under this Extension for the fees and expenses of the expert or adviser which form part of the fees and expenses ordinarily charged to the **Entity** for annual services of the same nature;
- (c) there is no cover under this Extension for fees and expenses charged by an **Insured Person**;
- (d) **We** are not liable to meet any such fees and expenses incurred after completion of the **Tax Audit**.

The sub-limit of indemnity for all payments under this Extension is \$50,000 in the aggregate for all **Tax Audits** in the **Period of Cover**.

No **Deductible** applies to this Extension.

3 Exclusions

We shall not be liable under this **Policy** for any **Loss** or other fees, costs, expenses or liability:

3.1 Asbestos

directly or indirectly arising out of, resulting from or in consequence of, or in any way involving asbestos, or any materials containing asbestos in whatever form or quantity.

3.2 Breach of Professional Duty

arising from, attributable to or in any way connected with:

- (a) the rendering or failure to render professional services and / or professional advice; or
- (b) a breach or alleged breach of any contract for the provision of professional services and/or professional advice.

3.3 Bodily Injury & Property Damage

in respect of physical injury, sickness, death, disease or mental injury or anguish, nervous shock or emotional distress of any person or destruction of or damage to tangible **Property** including the loss of use thereof.

This Exclusion does not apply to any **Claim** based on an **Employment Practices Breach** or **Discrimination** or harassment to the extent it alleges mental injury, mental anguish or emotional distress, or to Extension 2.13 "Workplace Health & Safety".

3.4 Consensual Claims

arising from any **Claim** made, brought or maintained by or on behalf of any person or entity with the solicitation, co-operation or assistance of any **Insured Person**.

3.5 Dishonesty or Improper Conduct

which involves an **Insured**:

- (a) committing or permitting any criminal, fraudulent, dishonest or malicious act;
- (b) knowingly, wilfully or recklessly violating any obligation, contract, law or regulation;
- (c) gaining any personal profit or advantage to which the **Insured** was not legally entitled; or
- (d) having been improperly involved in any **Securities** transaction by using information that is/was not available to other sellers or purchasers of such **Securities**; or
- (e) engaging in any conduct, breach or contravention which is subject to the prohibition in Section 199B of the *Corporations Act 2001* (Cth).

This Exclusion will only apply where the conduct in question has been established by admission, court judgment or other final adjudication. No fact pertaining to conduct of, or knowledge possessed by, an **Insured Person** will be imputed to any other **Insured Person** to determine whether any part of this Exclusion applies.

This Exclusion shall not apply in relation to **Defence Costs**, or **Legal Representation Costs**, in respect of Extension 2.13 "Workplace Health & Safety" or Extension 2.1 "Advancement of **Defence Costs**".

3.6 Known, Prior or Pending Claims

arising from, attributable to or in any way connected with:

- (a) any facts, circumstances or occurrences:
 - (i) noted on the **Proposal** for the current **Period of Cover** or on any previous proposal to any insurer or of which notice had been given to any insurer under any previous policy, however expressed; or
 - (ii) of which the **Insured** was aware prior to the commencement of the **Period of Cover** and knew (or ought reasonably to have realised) may give rise to a **Claim**, **Official Inquiry** or **Loss**; or
- (b) any intimation, complaint or allegation of any conduct or **Wrongful Act** that might give rise to any relief, in any way to the **Insured** prior to the commencement of the **Period of Cover**; or
- (c) any written notice of an **Official Inquiry** of which the **Insured** was aware of prior to the **Period of Cover**; or
- (d) any civil, criminal, administrative or regulatory proceeding, investigation, arbitration or adjudication of which the **Insured** was aware prior to the **Period of Cover**, or derived from essentially the same facts.

3.7 Entity versus Insured Person

arising from any **Claim** brought or maintained by any **Entity**.

This Exclusion does not apply to:

- (a) **Defence Costs** of any **Insured Person**; or
- (b) any **Claim**:
 - (i) by a liquidator, administrator or receiver; or
 - (ii) arising from a shareholder derivative action,

which has been brought or maintained without the solicitation or participation of any **Insured Person**.

3.8 Geographical Limits

arising from, attributable to or in any way connected with any conduct occurring, in whole or part in the United States of America and Canada, or their respective territories and possessions.

3.9 Jurisdiction

arising from any **Claim** or **Official Inquiry** brought in a court or jurisdiction outside the Commonwealth of Australia or of New Zealand, or brought in a court within the Commonwealth of Australia or of New Zealand to enforce a judgement handed down in a court outside the Commonwealth of Australia or of New Zealand.

3.10 Insolvency

arising from, attributable to or in any way connected with an **Insured** or **Subsidiary**:

- (a) going into bankruptcy, administration, receivership, liquidation, or insolvency; or
- (b) entering into a scheme of arrangement, a debt agreement or other agreement or arrangement with creditors; or
- (c) being unable to pay its debts as and when they fall due.

This Exclusion shall only apply in respect of Insuring Clauses 1.1, 1.2 and 1.11.

3.11 Major Shareholders

arising from any **Claim** directly or indirectly brought or maintained by or on behalf of any shareholder in any **Entity**:

- (a) where, at the time of the **Wrongful Act**, such shareholder held (20%) or more of the issued share capital of the **Entity** either directly or beneficially; or
- (b) where, at the time of the **Wrongful Act**, the shareholder had any representation on the **Entity's** board of **Directors**.

3.12 Nuclear / Radioactive

arising from or attributable to or resulting from the hazardous properties of radioactive or nuclear material or of any radioactive or nuclear facility.

3.13 Pollution

arising from, attributable to or in any way connected with the actual, alleged or threatened dispersal, release or escape of **Pollutants** into or upon real or personal **Property**, the atmosphere, any water course or body of water, including but not limited to any enforcement action or proceeding in connection with the containment, clean up, removal, treatment or monitoring of such **Pollutants**, or seepage, pollution or contamination howsoever occurring.

3.14 Securities Offering

arising from, attributable to or in any way connected with a public offering, solicitation, sale, distribution or issuance of **Securities**, whether or not a disclosure document has been issued.

3.15 Employment Practice Breaches

arising from, attributable to or in any way connected with an **Employment Practices Breach**. This Exclusion shall not apply to Insuring Clause 1.6.

3.16 Third Party Claim for Discrimination or Sexual Harassment

arising from, attributable to or in any way connected with **Discrimination and Sexual Harassment**. This Exclusion shall not apply to Insuring Clause 1.7.

3.17 Specific Exclusions relating to Insuring Clause 1.6 Employment Practices Cover

In addition to the Exclusions, **We** will not pay for any **Loss** or other fees, costs, expenses or liability under Insuring Clause 1.6 "Employment Practices Cover":

- (a) for or in connection with **Employment Benefits**;
- (b) for any amount not indemnified by the **Entity** for which any **Insured** is absolved from payment by reason of any covenant, agreement or court order;
- (c) for or in connection with an allegedly unfair contract of employment;
- (d) for or in connection with the cost of complying with any injunctive or other non-monetary relief or any agreement to provide any such relief;
- (e) for any costs incurred arising from any requirement for physical modifications to the **Entity's** premises, fixtures, fittings, plant or equipment or changes to the **Insured's** usual **Business** operations;
- (f) involving a lockout, strike, picket line, stand down, related worker replacement(s) or other similar actions resulting from industrial disputes or negotiations;
- (g) involving industrial disputes other than industrial disputes relating to an unfair dismissal comprising an application by an **Employee** on the basis that termination of employment is harsh, unjust or unreasonable.

3.18 Specific Exclusions relating to Insuring Clause 1.3 Entity Liability Cover

In addition to the Exclusions, **We** will not pay for any **Loss** or other fees, costs, expenses or liability under Insuring Clause 1.3 "**Entity** Liability Cover":

- (a) arising from or attributable or related to any actual or alleged breach of any law, whether statutory, regulatory or common law, relating to any trust, business competition, price fixing, unfair or restrictive trade practice or tortious interference in any other party's business or contractual relationships;
- (b) in respect of any actual or alleged misappropriation, plagiarism or infringement of any trade mark, trade secret, patent, copyright or any other intellectual property rights;
- (c) arising out of any actual or alleged violation of any responsibilities, obligations or duties protecting or regulating any superannuation, pension or similar fund;
- (d) arising from, attributable to or in any way connected with any actual or alleged trading or **Business** debt incurred by the **Entity** or any guarantee given by an **Insured Person** for any debt;
- (e) arising from, attributable to or in any way connected with any duty, obligation or liability assumed by the **Insured** under any contract, warranty, guarantee or indemnity, unless such duty, obligation or liability would have existed in the absence of such assumption;
- (f) arising from or attributable or related to any actual or alleged obligation pursuant to any law, regulation, industrial agreement in respect of workers compensation, workplace health and safety, disability benefits, unemployment benefits or compensation, retirement benefits, social security benefits or any similar law or regulation whatsoever;
- (g) arising from or attributable or related to any actual or alleged breach of any environmental protection legislation or regulation whatsoever.

3.19 Specific Exclusions relating to Insuring Clause 1.8, 1.9 & 1.10

In addition to the Exclusions, **We** will not pay for any **Loss** under Insuring Clauses 1.8, 1.9, 1.10 in respect of:

- (a) any **Direct Financial Loss** the proof of which is solely dependent on a profit and loss computation, or on a comparison of inventory records with an actual physical count. However, where the **Direct Financial Loss** results from or is suspected of resulting from an identified **Insured Person**, a comparison of inventory records with an actual physical count can be relied on as partial evidence in support of the **Direct Financial Loss** claimed;

- (b) any **Direct Financial Loss** arising from the accessing and dissemination of any confidential information, including but not limited to patents, trade marks, copyrights, customer information, computer programs and trade secrets;
- (c) any **Direct Financial Loss** arising from any **Dishonest Act** committed after any **Director** or **Officer** has become aware of a previous **Dishonest Act**. This Exclusion does not apply if the **Director** or **Officer** who discovers such acts is in collusion with the **Insured Person** who commits the relevant **Dishonest Act**;
- (d) any **Direct Financial Loss Discovered** before or after the **Period of Cover**;
- (e) any **Direct Financial Loss** occurring following forcible or violent entry to any premises occupied by an **Insured Entity** by any **Third Party** where such **Third Party** is acting alone and not in collusion with any **Employee**;
- (f) any **Direct Financial Loss** occurring due to an **Insured Person** knowingly having given or surrendered **Money** or **Securities** in any exchange or purchase with a **Third Party**, which includes any **Social Engineering Fraud**;
- (g) costs, fees or expenses of prosecuting or defending any demand, **Claim** or legal proceeding resulting from a **Direct Financial Loss** covered by this **Policy**;
- (h) costs, fees or other expenses in establishing the existence or amount of any **Direct Financial Loss**;
- (i) salary, wages, commissions, fees, bonuses, promotions, awards, profit sharing, superannuation or any other remuneration of any **Insured Person**;
- (j) complete or partial non-payment under any credit arrangement;
- (k) interest or other indirect or consequential loss (being any loss not expressly described in the cover sections of this **Policy**);
- (l) any loss sustained, whilst in the care, custody control of any financial institution or armoured security company;
- (m) expenses incurred in replacing, restoring, recreating and/or redesigning data or software;
- (o) loss sustained by one **Insured** to the advantage of another **Insured**.

3.20 Specific Exclusions relating to Extension 2.19 Tax Audit Fees

In addition to the **Exclusions**, **We** will not pay under Extension 2.19 "Tax Audit Fees", for any fees and expenses incurred by the **Entity** in responding to a **Tax Audit** where:

- (a) the **Entity** has not lodged the relevant return and paid all due amounts within the time required by law;
- (b) such costs and expenses were incurred because of a failure to respond to the **Tax Audit** within the required timeframe;
- (c) the **Entity** has failed to fully declare all relevant assets, income and liabilities in submitting the applicable return;
- (d) such costs and expenses arise from or are in respect of a dishonest or fraudulent return (including but not limited to knowingly false documents), deliberate tax evasion or a criminal investigation or prosecution;
- (e) the return has been lodged outside Australia or the **Tax Audit** is in respect of a person ordinarily resident outside Australia;
- (f) the **Tax Audit** was known to the **Insured Person** (or its agent), or known to the **Insured Person** (or its agent) to be impending, before the **Period of Cover**;
- (g) such costs and expenses are incurred in relation to a tax minimisation scheme disallowed by any relevant authority.

3.21 Specific Exclusions from Insuring Clause 1.11 Superannuation Trustees Liability

In addition to the **Exclusions**, under Insuring Clause 1.11 "Superannuation Trustees Liability" **We** will not pay for any **Loss**;

- (a) arising from or attributable or related to any actual or alleged failure to fund a **Superannuation Fund** in accordance with the **Superannuation Fund's** trust document or instrument or the failure to collect contributions owed to the **Superannuation Fund**. This Exclusion shall not apply to **Defence Costs**;
- (b) arising from or attributable or related to any **Trust Benefits** which are actually or allegedly due;
- (c) arising from or attributable or related to depreciation (or failure to appreciate) in value of any investments, including but not limited to **Securities**, commodities, currencies, options and futures transactions;
- (d) arising from or attributable or related to any actual or alleged representation, advice or guarantee provided by or on **Your** behalf as to the performance of any such investments.

3.22 Cyber Event & Privacy Breach

arising from, attributable to or in any way connected with any **Cyber Event** or **Privacy Breach**.

Unless otherwise specified in the **Schedule**, this Exclusion shall only apply in respect of Insuring Clause 1.3 and Automatic Extension 2.6.

3.23 War & Terrorism

arising from, attributable to or in any way connected with war (declared or otherwise), **Terrorism**, warlike, military, terrorist or guerrilla activity, sabotage, force of arms, hostilities (declared or undeclared), rebellion, revolution, civil disorder, insurrection, usurped power, confiscation, nationalisation or destruction of or damage to property by or under the order of, any governmental, public or local authority or any other political or terrorist organisation.

3.24 Communicable Disease

- (a) arising out of, based upon, attributable to or in consequence of a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable Disease or the actual or alleged transmission of a Communicable Disease.
- (b) as used herein, Communicable Disease shall mean:
 - (i) any disease infectious in humans forming part of the Listed Human Diseases under, or is the subject of a Human Biosecurity Emergency under, the *Biosecurity Act 2015 (Cth)* and any of its subsequent amendments or any similar such listing or declarations of diseases under any subsequent statute that repeals and replaces the *Biosecurity Act 2015 (Cth)* in whole or part, whether or not such declaration has taken place before or after inception of this **Policy**; or
 - (ii) any disease infectious in humans forming part of the Quarantinable Infectious Diseases as defined under the *Health Act 1956 (NZ)* and any of its subsequent amendments or any similar such listing of diseases under any subsequent statute that repeals and replaces the *Health Act 1956 (NZ)* in whole or part, whether or not such declaration has taken place before or after inception of this **Policy**; or
 - (iii) any pandemic or epidemic, as declared as such by the World Health Organisation.

4 Conditions

In order to be sure that **You** are covered under this Policy, **You** should always contact **Us** for approval before incurring expenses **You** wish to Claim. If **You** do not, **We** will pay for expenses incurred up to the amount **We** would have authorised had **You** asked first.

4.1 Allocation of Loss

- (a) Where any liability or amount has been jointly, or jointly and severally, incurred as between any **Insured** and any other uninsured person or entity, **Our** liability under this **Policy** shall be the proportion of that liability or amount which represents a fair and equitable allocation between the **Insured** and the other uninsured person or entity, taking into account the relative legal and financial exposures of, and the relative benefits obtained in any settlement by, the **Insured** and the other person or entity in or as a result of the **Claim** or **Official Inquiry**.
- (b) Where any liability or amount is incurred in respect of any **Claim** or **Official Inquiry** which arises from both matters covered and matters not covered by this **Policy**, **Our** liability under this **Policy** is limited to the proportion of that liability or amount which represents a fair and equitable allocation taking into account the relative legal and financial exposures attributable to covered matters and matters not covered under this **Policy**.
- (c) If the parties are unable to agree on a fair and equitable allocation, then such allocation is to be determined by a **Senior Counsel** (to be mutually agreed upon by parties, or in the absence of agreement, to be appointed by the President of the Bar Association, or equivalent organisation, in the jurisdiction in which the liability or amount was incurred).
- (d) **We** may at **Our** sole discretion, pay **Loss** pending **Senior Counsel** determination. The costs of the **Senior Counsel** shall be borne by **Us** and do not form part of **Defence Costs**.
- (e) The **Senior Counsel** is:
 - (i) to determine the fair and equitable allocation as an expert, not as arbitrators. **We** and the **Insured** may make submissions to the **Senior Counsel**.
 - (ii) not limited to a consideration of such submission and is to determine the fair and equitable allocation in his or her own judgment and opinion. Such determination shall be final and binding.

- (f) While the proportion of **Defence Costs** or **Legal Representation Costs** to be advanced under the **Policy** remains disputed and undetermined, **We** shall advance that proportion of **Defence Costs** or **Legal Representation Costs** which **We** consider represents a fair and equitable allocation. The allocation finally agreed or determined shall be applied retrospectively to any **Defence Costs** or **Legal Representation Costs** incurred prior to agreement or determination but shall not be a presumption as to other **Loss** covered by the **Policy**.

4.2 Alteration to Risk

The **Insured** must notify **Us** as soon as practicable of any material alteration to risk during the **Period of Cover** if the **Insured** knows, or ought reasonably to have known, that the alteration in risk is relevant to **Our** decision to insure and the terms on which **We** will insure the **Insured**, including but not limited to:

- (a) any **Transaction**; or
- (b) an **Entity** going into voluntary bankruptcy, receivership, liquidation or administration; or
- (c) an **Entity** entering into a scheme arrangement, debt agreement or arrangement with creditors; or
- (d) any public offering of its **Securities**; or
- (e) the cancellation or suspension of, or the imposing of special conditions upon, any statutory licence or registration the **Entity** or **Insured Person** is required to hold at law in order to conduct **Business**.

4.3 Assignment

The **Insured** must not assign the **Policy**, or any rights under this **Policy**, without **Our** prior written consent by way of endorsement to the **Policy**. **We** will not unreasonably withhold such consent.

4.4 Basis of Valuation for Insuring Clauses 1.8 and 1.9

For any **Direct Financial Loss** covered under this **Policy**, **We** are not liable for more than:

- (a) the actual market value of **Securities** and **Money** at the close of business on the day the **Direct Financial Loss** was first **Discovered** (determined by the value published in the Australian Financial Review), or the actual cost of replacing **Securities** and **Money**, whichever is less;
- (b) the actual cash value of other **Property** (not referred to in (a) above) at the close of business on the day the **Direct Financial Loss** was first **Discovered**, or the actual cost of replacing the **Property** of like quality or value, whichever is less;

- (c) the cost of blank books, blank pages or other materials plus the cost of labour and computer time for the actual transcription or copying of data furnished by the **Insured** in order to reproduce books of account and other records;

4.5 Settlement of Direct Financial Loss

If the **Insured** notifies **Us** of a **Direct Financial Loss** and **We** accept the notification under this **Policy**, subject to the **Insured's** compliance with Clause 3.6 above, a loss adjustor will be appointed by **Us** to establish proof of any element or part of the **Direct Financial Loss** not yet accepted by **Us**.

The loss adjustor shall:

- (a) Investigate the facts behind such unproven **Direct Financial Loss**; and
- (b) Determine the quantum of such unproven **Direct Financial Loss**, and
- (c) Advise when and how the **Insured's** controls were or may have been breached; and
- (d) Provide recommendations which may prevent future similar **Direct Financial Loss**; and
- (e) Issue their findings in a report format approved by **Us**; and
- (f) Provide a copy of the report to the **Insured** to **Us**.

The report of the loss adjustor will not be binding and definitive as to the facts and quantum of such unproven **Direct Financial Loss**.

We will pay for the reasonable and necessary fees, costs and expenses of the loss adjustor provided the unproven **Direct Financial Loss** is ultimately determined to be covered under this **Policy**. If that part of the **Direct Financial Loss** is determined not to be covered under this **Policy**, the **Insured** will pay the said fees, costs and expenses of the loss adjustor.

Any amount of the loss adjusting fees paid by **Us** under this Part 4 'Conditions' will be paid in addition to the **Limit of Indemnity**, and will not be the subject of any **Deductible**.

4.6 Cancellation

You may cancel this **Policy** at any time by notifying **Us** in writing. **We** may cancel this **Policy** in accordance with section 60 of the *Insurance Contracts Act 1984* (Cth).

On cancellation, **We** agree to refund **You** a pro rata proportion of the net premium for the unexpired portion of the **Period of Cover**, less all or part of any applicable statutory charges, taxes, duties or levies, subject to no **Claims** or inquiries having been made during the **Period of Cover**.

4.7 Claim Settlement

If the **Insured** disagrees with a **Claim** settlement recommended by **Us**, the **Insured** may elect to contest such **Claim**. However, **Our** liability in respect of the **Claim** shall not exceed the amount for which the **Claim** could have been so settled plus the **Defence Costs** and any other covered **Loss** incurred up to the date of such election.

4.8 Conduct of Defence/Settlement

- (a) Unless otherwise agreed, **We** shall be entitled at any time to take over and conduct in the name of the **Insured** the investigation, defence and/or settlement of any **Claim** or legal representation at an **Official Inquiry** (having regard to the **Insured's** interests and acting reasonably).
- (b) The **Insured** shall not, without **Our** prior written consent:
 - (i) make any offer or admit liability for or settle any **Claim** or **Official Inquiry**; or
 - (ii) incur any **Defence Costs** or **Legal Representation Costs**; or
 - (iii) assume any liability or obligation for any **Loss** for which indemnity is sought under this **Policy**; or
 - (iv) forego, waive, exclude or limit any rights of indemnity or recovery;
- (c) **We** may reduce or refuse to pay for any **Loss**, settlement or other liability assumed, to the extent that **We** are prejudiced by such offer, payment, admission, **Loss**, settlement made or costs or expenses incurred without **Our** consent. To ensure coverage, please contact **Us** before incurring any liability, costs or expenses.
- (d) If **We** assume the conduct of the defence of a **Claim** or representation at an **Official Inquiry** and **We** carry out any investigation regarding such **Claim** or **Official Inquiry** without prejudice to the question of indemnity until sufficient facts and information are available to make a decision on the question of indemnity, this does not:
 - (i) indicate an **Insured** is entitled to indemnity under the **Policy**, or
 - (ii) waive or prejudice **Our** rights (if any) under the **Policy**.

4.9 Confidentiality

The **Insured** may not disclose to any **Third Party** that an **Insured** has paid, or agreed to pay, a premium for this **Policy**. An **Insured** must not otherwise disclose to any **Third Party** any terms of this **Policy**, including but not limited to the **Limit of Indemnity**, the Insuring Clauses and the Exclusions except to the extent that:

- (a) disclosure of the terms of this **Policy** is required by law; or
- (b) disclosure is to legal advisors for the purposes of the **Insured** obtaining policy **Claims** advice; or
- (c) **We** may consent in writing to disclosure of the terms of this **Policy**.

4.10 Co-Operation/Mitigation

- (a) The **Insured** shall, at their own cost, as soon as reasonably possible provide **Us** such assistance and information as **We** may reasonably require to enable **Us** to determine whether or not the **Insured** is entitled to an indemnity under this **Policy**, and to enable **Us** to investigate and defend any **Claim**, including representation of any **Insured Person** at an **Official Inquiry**, or investigate any other **Claim** for indemnity under the **Policy**. If the **Insured** does not provide **Us** such assistance and information as soon as reasonably possible, **We** may reduce or deny the **Claim** to the extent **We** are prejudiced by the **Insured's** delay.
- (b) The **Insured** shall, at their own cost, diligently do all things reasonably practicable to avoid or minimise any **Loss** hereunder.

4.11 Deductible

- (a) **Our** liability under this **Policy** shall apply only to that part of each **Loss**, which exceeds the **Deductible** as set out in the **Schedule** for each applicable Insuring Clause. Such **Deductible** shall be borne by the **Insured** and shall remain uninsured.
- (b) The **Deductible** with respect to a **Claim** is inclusive of **Defence Costs**.
- (c) Where more than one **Loss** arises from, or is attributable to the same **Wrongful Act** (in the event of **Claims**) or the same **Dishonest Acts** (in the event of **Direct Financial Loss**), then the applicable **Deductible** for each Insuring Clause is payable, however, the total amount payable will not exceed the highest applicable **Deductible**.
- (d) With respect to Insuring Clauses 1.8, 1.9 and 1.10, a series of related, repeated or continuous **Dishonest Acts** shall be treated as giving rise to a single **Direct Financial Loss** and, as such, a single **Deductible** is payable.
- (e) Where **We** make a payment in respect of a **Claim**, including for **Defence Costs**, which includes payment of part or all of the **Deductible**, the **Insured** shall within 30 days of being notified by **Us**, reimburse **Us** for the amount of the **Deductible** paid by **Us** on behalf of the **Insured**.

4.12 Governing Law

This **Policy** is to be governed by in by the laws of the Commonwealth of Australia and the State or Territory where the **Policy** was issued. Any disputes relating to interpretation shall be submitted to the exclusive jurisdictions of the Courts of Australia.

4.13 GST Basis of Settlement

The amount that **We** are liable to pay under this **Policy** will be reduced by the amount of any input tax credit that the **Insured** is or may be entitled to **Claim** for the supply of goods or services covered by that payment.

If the **Insured** is entitled to an input tax credit for the premium, the **Insured** must inform **Us** of the extent of that entitlement at or before the time the **Insured** makes a **Claim** under this **Policy**. **We** will not indemnify the **Insured** for any GST liability, fines or penalties that arise from or is attributable to the **Insured's** failure to notify **Us** of the **Insured's** entitlement (or correct entitlement) to an input tax credit on the premium.

If the **Insured** are liable to pay a **Deductible** under this **Policy**, the amount payable will be calculated after deduction of any input tax credit that the **Insured** is or may be entitled to **Claim** on payment of the **Deductible**.

4.14 Limit of Indemnity

Our total liability under this **Policy** shall not exceed the **Limit of Indemnity** in respect of all **Loss**, in the aggregate, under all Insuring Clauses and for all **Insured**.

For all purposes of the **Policy**, all **Claims** arising from or attributable to the same **Wrongful Act** or conduct, are deemed to be one **Claim**. All **Claims** arising from or attributable to a series of related **Wrongful Acts** or other related conduct are deemed to be one **Claim**. For the purpose of this clause, an **Official Inquiry** is deemed to be a **Claim**, even if there is no **Wrongful Act** alleged.

Any number of **Claims** against, or **Official Inquiries** involving, the **Insured** which arose out of or are attributable to or connected in any way with a single **Wrongful Act** or the same conduct or a series of the same, related, interconnected or continuous **Wrongful Acts** or conduct shall constitute a single **Claim** or **Official Inquiry** for the purpose of this **Policy**.

Where there is more than one such **Claim**, all such **Claims** shall be deemed first made when the earliest such **Claim** was first made.

Sub-limits of indemnity and Extensions shall be part of and not in addition to the aggregate **Limit of Indemnity**, except that **We** will pay in addition to

the **Limit of Indemnity**, under Extension 1.5 "Excess Limit for **Insured Persons**", the **Excess of Limit** on the terms of that Extension; and under Insuring Clause 1.10 the sub-limit applicable to that Insuring Clause.

Some Insuring Clauses and Extensions have sub-limits of indemnity specifically noted within this **Policy** document. If a different sub-limit of indemnity for any Insuring Clause or Extension is specifically noted in the **Schedule**, then the amount noted in the **Schedule** shall take precedence.

4.15 Representations

In granting this **Policy**, **We** rely upon the declarations and statements in, and the attachments to, the **Proposal**.

4.16 Senior Counsel

If a dispute arises between **Us** and the **Insured** as to whether or not to contest any **Claim**, neither **We** nor the **Insured** shall be required to contest such **Claim** unless a **Senior Counsel** (to be mutually agreed upon by **Us** and the **Insured** or, failing agreement, the President of the Law Society or equivalent body in the State where **Claim** is being heard or defended) shall advise that such **Claim** should be contested. **Senior Counsel** shall advise having regard to the economics of the matter, the damages and costs which are likely to be recovered against the **Insured** and the likely **Defence Costs** that will be incurred in defending the **Claim** and the prospects of successfully defending the **Claim**. The costs of **Senior Counsel** shall be borne by **Us**. However, no **Deductible** shall apply to those **Defence Costs**.

4.17 Severability and Non-Imputation

We agree that any conduct on the part of any **Insured Person**, whereby such person breached the duty of disclosure or made a misrepresentation to **Us** before this contract was entered into, or failed to comply with a term of this **Policy**, shall not prejudice the right of any other **Insured Person** to indemnity under the **Policy**. Provided that such other **Insured Person**:

- (a) is innocent of and has no prior knowledge of any such conduct; and
- (b) shall, as soon as reasonably possible after becoming aware of any such conduct advise **Us** in writing of all known facts in relation to such conduct.

Nothing in this Extension relieves any **Insured** from the duty of disclosure owed to **Us**.

However, any state of mind or knowledge possessed by any past or present chairman of the board or management committee, chief executive officer, **Director**, chief operating officer or chief financial officer of the **Entity** will be imputed to the **Entity**.

4.18 Subrogation

Where **We** pay **Loss** under this **Policy**, **We** are entitled to any rights the **Insured** may have in respect of that payment. The **Insured** must, at their own cost, take reasonable steps to co-operate and assist **Us** in exercising those subrogated rights.

4.19 Notification

You must notify **Us** of any:

- (a) **Claim** made against **You**, **Official Inquiry** or **Tax Audit** notified to **You**, during the **Period of Cover** as soon as practicable and during the **Period of Cover** or **Discovery Period**, if applicable; and
- (b) **Direct Financial Loss** first **Discovered** during the **Period of Cover** as soon as practicable during the **Period of Cover**, or within the **Discovery Period**, if applicable, but in any event not later than 60 days after any **Direct Financial Loss** is first **Discovered**. **You** must, at **Your** own cost, also take reasonable steps to:
 - (i) provide **Us** with affirmative proof of the **Direct Financial Loss** with full particulars as soon as reasonably possible after the **Direct Financial Loss** being first **Discovered**, and;
 - (ii) provide **Us** with all reasonable information and documents requested and take reasonable steps to co-operate with **Us** in all matters pertaining to the **Direct Financial Loss**.

You must give notice of any **Claim**, **Official Inquiry**, **Tax Audit**, **Direct Financial Loss**, or other matter in writing, and send it to the Claims Manager, Financial Lines, Allianz Australia Insurance Limited GPO Box 9870, Melbourne VIC 3000.

4.20 Sanctions

Irrespective of any other provision of the **Policy**, **We** shall not be deemed to provide cover or be liable to pay any **Claim** or provide any benefit (including a refund a premium) hereunder to the extent that the provision of such cover, payment of such **Claim** or provision of such benefit would contravene or otherwise expose **Us** to any penalty, sanction, prohibition or restriction under United Nations resolutions or the trade or economic sanctions, laws or regulations of Australia, New Zealand, the European Union, United Kingdom or United States of America.

5 Definitions & Interpretation

In this **Policy**, unless the context requires otherwise:

Business means the trade or activities conducted by the **Entity** or **Subsidiary**.

Claim means:

- (a) a writ, statement of **Claim**, summons, application or other originating legal or arbitral process, cross-**Claim**, counter **Claim** or third or similar party notice for compensation or non-monetary relief;
- (b) a written assertion of a right to, or a demand for, compensation or non-monetary relief;
- (c) a formal administrative or regulatory proceeding including any arbitration, mediation, conciliation or alternative dispute resolution proceeding.
- (d) any **Extradition Proceedings** against an **Insured**; or
- (e) any criminal proceeding.

Client means a customer to whom the **Entity** provides goods or services for a fee.

Continuity Date means the date specified as such on the **Schedule**.

Crisis means any of the following unforeseen events where, in the reasonable opinion of the managing **Director** (or equivalent) of the **Entity**, the event has the potential to cause an immediate and serious effect on the **Business** of greater than 20% of the total annual consolidated revenues of the **Entity**, if left unmanaged:

- (a) the sudden, unexpected death or disability of any **Director** or **Officer**;
- (b) the sudden loss of a major customer, contract or credit facility;
- (c) **Employee** workplace violence;
- (d) a recall or boycott of any product;
- (e) a man made disaster;
- (f) any criminal or fraud investigation.

Crisis is not an event that affects generally the industry in which the **Entity** conducts its **Business**.

Cyber Attack means any malicious direction of network traffic, introduction of malicious computer code, or other malicious attack directed at, occurring within, or utilising **Your Computer System**, including but not limited to a computer virus or denial of service attack, whether intentionally targeting **You** or otherwise.

Cyber Event means any actual, alleged or suspected:

- (a) damage to, loss, destruction, distortion, erasure, corruption, alteration, theft or misappropriation or other dishonest, criminal, fraudulent or unauthorised manipulation of or access to **Electronic Data** (including but not limited to **Cyber Attack**), or loss of use or operational control, reduction in functionality, cost, expense and/or fee of whatsoever nature resulting therefrom;
- (b) any error or omission in creating, amending, entering, deleting or using **Electronic Data**;
- (c) total or partial inability or failure to receive, send, access or use **Electronic Data** for any time or at all; or
- (d) unauthorised communication, display, distribution or publication of **Electronic Data**.

Defence Costs means the reasonable legal costs and expenses (other than regular or overtime wages, salaries or fees of **Directors, Officers** or **Employees** of an **Insured**) necessarily incurred by or on behalf of an applicable **Insured** (with **Our** written consent) or by **Us**, in the investigation, defence and/or settlement of a **Claim** covered by this **Policy**. **Defence Costs** are part of and not in addition to the **Limit of Indemnity**.

Deductible means the respective amount(s) shown in the **Schedule** as being applicable to each Insuring Clause, which amount(s) are inclusive of **Defence Costs**.

Direct Financial Loss means the physical loss of **Money** and **Securities** or **Property** belonging to, leased by or in the care, custody or control of the **Entity**, sustained by the **Entity** directly as a result of any **Dishonest Act** or **Third Party Dishonest Act** either committed whilst acting alone or in collusion with any other person.

Director means any natural person who is, was or becomes during the **Period of Cover** a **Director** of the **Entity** as defined in the *Corporations Act 2001* (Cth), or the equivalent legislation in any other jurisdiction, including for the avoidance of doubt, a de facto **Director** or a shadow **Director** of the **Entity**.

Discovered means when any **Director** (who is not in collusion with an **Employee** who has committed or is attempting to commit a **Dishonest Act**) becomes aware of any facts which would cause a reasonable person to assume that a **Direct Financial Loss** has been incurred, even though the exact amount or details of the **Direct Financial Loss** are not known at the time of discovery. Such discovery constitutes discovery by the **Entity**.

Discovery Period means the period of time specified in Extension 2.7 "**Discovery Period**" commencing immediately after expiry of the **Period of Cover** or any relevant **Transaction**.

Discrimination means Discrimination by an **Insured** against a **Third Party** referencing race, colour, creed, religion, age, sex disability, marital status, national origin, pregnancy, sexual orientation or preference which is protected to any law anywhere in the world.

Dishonest Act means any dishonest or fraudulent act committed by an **Insured Person** (whether acting alone or in collusion with any other person).

Electronic & Digital Data means data of any kind (including but not limited to facts, concepts or other information) in a form useable by computers or other electronic or electromagnetic data processing equipment, and includes computer software and all other coded instructions for the processing or manipulation of data on any equipment.

Employee:

- (a) means any natural person who is a past present or prospective **Employee** of the **Entity**, including any full time, part time, casual, secondee or volunteer. In respect of Insuring Clause 1.8 only, any natural person who is a present **Employee** of the **Entity**.
- (b) does not mean independent contractors, consultants, or agents of the **Entity** or their respective employees, including employees of labour hire companies.

Employment Benefits includes but is not limited to:

- (a) non-monetary benefits including but not limited to the allocation of a company car, travel allowance, mobile or landline telephone, medical or life insurance expenses, education and training allowances, and equipment allowances;
- (b) stock, shares, stock options, share options or any entitlement or right under any employee plan of any description;
- (c) participation in any stock, share option or share option plan, or participation in any employee plan of any description;
- (d) severance or redundancy payments or entitlements;
- (e) any benefit, payment or entitlement of any kind in respect of paid or unpaid leave;
- (f) bonus or incentive payments, or any entitlement or right under a bonus or incentive plan (which, for the avoidance of doubt, does not include any payments, entitlement or right under any commission scheme);
- (g) payments or contributions in respect of any provident, benefit, superannuation, pension or retirement fund, or any other account, fund, scheme or plan intended to provide benefits, in whole or in part, at retirement or a particular age, or on the happening of a particular event;

- (h) any amount the **Entity** pays or is ordered to pay pursuant to any determination or settlement in respect of an allegedly unfair contract, notwithstanding that it acted in accordance with the terms of the employment contract.

Employment Practices Breach means any employment-related:

- (a) **Discrimination** on any ground including but not limited to sex, age, religion, disability, race, colour, sexual orientation, marital status or pregnancy;
- (b) wrongful dismissal, discharge or termination of employment;
- (c) workplace or **Sexual Harassment**;
- (d) oral or written publication of material that slanders or libels an **Employee** or violates or invades an **Employee's** right of privacy;
- (e) breach of any oral, written or implied employment contract or misrepresentations as to terms of employment;
- (f) wrongful refusal to employ;
- (g) demotion, failure to promote, deprivation of career opportunity, refusal of tenure, unfair evaluation or disciplinary action,

in respect of an **Employee** of the **Entity**.

Entity means the entity shown as "the **Insured**" in the **Schedule** and any **Subsidiary** which was acquired, created or incorporated prior to the commencement of this **Policy**.

Extradition Proceedings means:

- (a) a request for extradition of an **Insured Person**, a warrant for arrest in response of an **Insured Person** or other proceedings under the provisions of the *Extradition Act 1988* (Cth) or similar Federal, State or Territory law where applicable, or any amendment or re-enactment thereof.
- (b) any associated appeals, including but not limited to, the pursuit of judicial review proceedings against the decision of any senior authorised representative of the Australian Government to issue an extradition order under the *Extradition Act 1988* (Cth) or similar Federal, State or Territory law, or any amendment or re-enactment thereof;
- (c) the equivalent of the above in any other jurisdiction.

Insured means either in the plural or singular, the **Entity** and the **Insured Persons**.

Insured Person means any person who is, was or becomes during the **Period of Cover** a **Director**, **Officer**, **Trustee**, office bearer, committee member, **Employee** of the **Entity**, including temporary, volunteers, casual or part-time staff, or a covered **Subsidiary** during the **Period of Cover** when acting in that capacity on behalf of the **Business**.

Insured Person does not include:

- (a) an external auditor, administrator, receiver, receiver and manager, official manager, provisional liquidator, liquidator, trustee or person administering a compromise or scheme of arrangement of **Entity** or **Subsidiary** or any employee of such persons; or
- (b) any independent contractor of the **Entity**; or
- (c) any body corporate.

Joint Venture means any unincorporated enterprise undertaken jointly by the **Entity** with a **Third Party**.

Legal Representation Costs means the reasonable legal costs and expenses an **Insured** incurs with **Our** consent (which shall not be unreasonably withheld) for legal representation in relation to an **Official Inquiry** (but not including wages, salaries or other remuneration internal costs or overheads of any **Insured**).

Limit of Indemnity means the amount shown in of the **Schedule** as **Our** total liability under the **Policy** for all **Loss**, inclusive of **Defence Costs**, for all **Claims**, all **Direct Financial Loss** and all other amounts payable under this **Policy** other than the **Excess of Limit** as covered by Insuring Clause 1.5 and expenses covered under Insuring Clause 1.10 "Crime Investigation Expenses".

The **Limit of Indemnity** is in excess of the **Deductible**.

Loss means the amounts an **Insured** is legally liable to pay including but not limited to damages, judgments, interest, claimant's costs and expenses and settlements entered into with **Our** prior written consent and **Defence Costs**, fines and penalties and **Media Costs** under Extension 2.12, "Crisis Management Costs" under Extension 2.6, "Bail Bond and Civil Bond" expenses under Extension 2.3 and **Defence Costs** in relation to **Extradition Proceedings**.

For the purpose of an **Official Inquiry**, **Loss** means **Legal Representation Costs** and **Media Costs**.

For Insuring Clause 1.8 "Crime Cover", **Loss** means **Direct Financial Loss**.

For Extension 2.19 "Tax Audit Fees", **Loss** means **Tax Audit fees**.

Loss does not include:

- (a) internal or overhead expenses of the **Entity**;
- (b) **Employment Benefits** or **Trust Benefits**;
- (c) fines or penalties imposed by law, other than those penalties covered by Extension 2.9 "Fines & Penalties Cover";
- (d) any matters which are deemed uninsurable at law;
- (e) aggravated, punitive or exemplary damages;
- (f) the cost of complying with any non-monetary order or relief;
- (g) any costs and expenses of any kind in connection with any uncovered matter in (a)–(f) above.

Media Costs means the reasonable fees and expenses of a public relations firm which the **Insured** engages with **Our** prior written consent (not to be unreasonably withheld) for the purpose of preventing or limiting potential adverse or negative publicity in respect of a covered **Claim** or **Official Inquiry**.

Money means legal tender including bank notes, coins, bullion, cheques, bills of exchange, promissory notes, negotiable instruments and **Claims** on bank deposits and accounts.

Officer means any officer of the **Entity**, being any **Employee** who is concerned in, or takes part in, the management of the **Entity**, regardless of the name that is given to their position, including the company secretary.

Official Inquiry means any official investigation, examination, inquiry ordered or commissioned by a statutory body or institution, and:

- (a) which the **Insured Person** is legally compelled to attend; and
- (b) which has as its subject matter the affairs of the **Entity** or the conduct of an **Insured Person** in that capacity, or the conduct of the **Business**; and
- (c) notice of which is first served on the **Insured Person** and notified to **Us** in the **Period of Cover**.

It is not necessary that a **Wrongful Act** be alleged.

Outside Directorship means the position of **Director**, officer, secretary, trustee or equivalent position held by an **Insured Person** in an **Outside Entity** at the written request or direction of the **Entity**.

Outside Entity means any entity that is a not-for-profit or privately held company, or any entity listed as an **Outside Entity** on the **Schedule**.

It does not include any entity:

- (a) which is a financial or credit institution, bank, clearing house, undertaking for investment of **Securities**, investment firm or adviser or manager, investment or mutual fund, private equity or venture capital company, stock brokerage firm, insurance company or similar; or
- (b) which has any **Securities** in or is domiciled or incorporated in the United States of America or Canada or their respective territories.

Period of Cover means the period shown in the **Schedule** unless terminated earlier.

Personal Information means information or an opinion about an identified individual, or an individual who is reasonably identifiable:

- (a) whether the information or opinion is true or not; and
- (b) whether the information or opinion is recorded in a material form or not.

Policy means this **Policy** document, its **Schedule** and the endorsements, if any, noted in the **Schedule** or granted by **Us** before entry into the contract or where permitted or required by law, and the information given to **Us** on behalf of the **Insured** in the **Proposal**.

Pollutant means any:

- (a) solid, liquid, gaseous or thermal irritant or contaminant, including without limitation smoke, vapour, soot, fumes, acids, alkalis and chemicals; and
- (b) waste materials, including materials to be recycled, reconditioned or reclaimed; and
- (c) other air emission, odour, waste water, oil, oil products, infectious or medical waste or any noise emissions.

Privacy Breach means any actual, alleged or suspected breach of applicable privacy and data protection laws as may be in force from time to time which regulate the collection, storage, use and disclosure of **Personal Information**, including the *Privacy Act 1988* (Cth) (including the Australian Privacy Principles), *Spam Act 2003* (Cth), *Do Not Call Register Act 2006* (Cth) and any applicable state and territory laws, regulations or binding rules or guidelines of any applicable regulatory or statutory authority or government agency.

Property means tangible property other than **Money** and **Securities**.

Proposal means the written or electronic proposal form together with all supplementary information and material by and on behalf of the **Insured**, given to **Us** and on which **We** have relied upon to enter this **Policy**.

Retired Director or **Officer** means a **Director** or **Officer** of the **Entity** who has ceased to hold any such office prior to the expiry of the **Period of Cover**, for any reason other than disqualification, and who has not assumed any similar office with the **Entity**.

Schedule means the schedule attaching to and forming part of this **Policy** or any updated schedule **We** provide **You** with.

Securities means for Insuring Clause 1.8 "Crime Cover", any negotiable or non-negotiable instruments or contracts representing **Money** or other **Property**, but excluding **Money**. For the purposes of the other terms, conditions and Exclusions of this **Policy**, **Securities** means any shares, preference shares, stocks, debentures, warrants, options, bonds, promissory notes or other equity or debt security.

Senior Counsel means a barrister in active practice who is entitled to use the post nominals QC or SC in any superior court in the Commonwealth of Australia or the Dominion of New Zealand.

Sexual Harassment means sexual harassment of a **Third Party** by an **Insured**, including unwelcomed sexual advances, or conduct of a sexual nature against a **Client**.

Social Engineering Fraud means any act committed by a person to impersonate another or to represent themselves as possessing authority they do not have, so as to deceive or mislead an **Insured Person** into transferring, paying or delivering **Money, Securities** and/or other **Property**, or changing bank account details held by the **Insured**.

Subsidiary means any company or other incorporated entity that at the inception of the **Period of Cover**, by virtue of Australian law was or is, either directly or indirectly a subsidiary of the **Entity**, provided always that the accounts of any **Subsidiary** are consolidated into those of the **Entity** in accordance with the relevant accounting standard.

Superannuation Fund means a corporate Superannuation Fund established for the benefit of **Employees**, but does not include any industry or master superannuation funds.

Tax Audit means in respect of a tax return submitted by or on behalf of the **Insured**, a formal investigation or audit by the Australian Tax Office, or any Australian Federal, State or Territory department, body, agency or authority which is authorised to conduct such an investigation or audit, and includes any inquiry or investigation by the Australian Taxation Office aimed at determining the **Entity's** compliance with the record keeping requirements of relevant taxation legislation.

Terrorism means an act, including but not limited to the use of force or violence and/or the threat thereof, of any person or group(s) of persons whether acting alone or on behalf of or in connection with any organisation(s) or government(s), committed for political, religious, ideological or similar purposes including the intention to influence any government and/or to put the public or any section of the public in fear.

Third Party means any natural person or entity other than an **Insured**. For the sake of clarity, a **Third Party** can include a **Client**.

Third Party Dishonest Act means any dishonest or fraudulent act committed by a **Third Party** (whether acting alone or in collusion with any other person).

Transaction is where:

- (a) the **Entity** consolidates with or merges into or sells all or substantially all of its assets to any other person or entity or group of persons and/or entities acting in concert; or
- (b) any person or entity, whether individually or together with any other person or persons, entity or entities becomes entitled to exercise more than 50% of the rights to vote at general meetings of the **Entity** or control the appointment of **Directors** who are able to exercise a majority of votes at Board meetings of the **Entity**.

Trust Benefits means any amounts payable to a beneficiary of the **Superannuation Fund** by the **Trustee** under the trust document or instrument governing the **Superannuation Fund**.

Trustee means any natural person who was, prior to or during the **Period of Cover**, a duly appointed trustee of the **Superannuation Fund**.

We, Us, Our means Allianz Australia Limited ACN 000 122 850

Wrongful Act means:

- (a) For the purposes of Insuring Clauses 1.1 and 1.2, any actual or alleged breach of duty, breach of trust, act, error, omission, neglect, misstatement, misleading statement or breach of warranty of authority. It does not include an **Employment Practices Breach** and **Discrimination** or **Sexual Harassment**, committed by an **Insured Person** while acting:
 - (i) in their capacity as an **Insured Person** of the **Entity** or **Subsidiary**; or
 - (ii) in an **Outside Directorship** as provided by Extension 2.14 "**Outside Directorship Cover**".
- (b) For the purpose of Insuring Clause 1.3, any actual or alleged breach of duty, breach of trust, act, error, omission, neglect, misstatement, misleading statement or breach of warranty of authority by the **Entity**. It does not include an **Employment Practices Breach** or **Discrimination** or **Sexual Harassment** by the **Entity**.
- (c) For the purpose of Insuring Clause 1.11, any actual or alleged breach of duty, breach of trust, breach of contract, breach or statute, act, error, omission, neglect, misstatement, misleading statement or defamation actually or allegedly committed by a **Trustee** in connection with the **Superannuation Fund**, but excludes an **Employment Practices Breach** or **Discrimination** or **Sexual Harassment**.

You, Your means the **Insured**.

Your Computer System means a computer system (including, but not limited, to hardware, software and/or computer programs) leased, owned or operated by or which is made available or accessible to **You** or **Your** contractors or service providers for the purpose of storing and processing **Electronic & Digital Data**.

Interpretation

In interpreting any word or expression in this **Policy**:

- (a) the singular includes the plural;
- (b) the male gender includes the female, and vice versa;
- (c) where any word or phrase is given a definite meaning, any part of speech or other grammatical form of that word or phrase has corresponding meaning;
- (d) words shown in bold, for example, **Claim**, are words defined by Part 5 "Definitions & Interpretation";
- (e) paragraph headings are included for convenience only and do not form part of this **Policy** for the purpose of interpretation.

For all enquiries please talk to your broker

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